

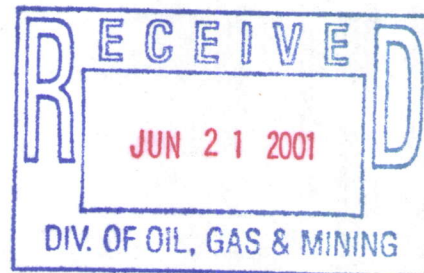
Molycorp, Inc.
Molybdenum Group
P.O. Box 469
Questa, NM 87556-0469
Telephone (505) 586-0212
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m/37/022

Molycorp

June 20, 2001

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program
Department of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801



RE: Five-Year Review of Reclamation Surety Estimate, Molycorp Inc. Small Fry Mine, M/037/022, San Juan County, Utah

Dear Mr. Hedberg:

Molycorp is in receipt of your letter of April 20, 2001 requesting a review of the reclamation surety for the Small Fry Mine. As indicated in our annual report this mine is not currently active. As I mentioned to Doug Jensen of your office in a telephone conversation today we are still locating the required information to submit and anticipate providing the information requested in your letter to you within 30 days (by July 20).

In addition, we would like to notify you that we anticipate closing the site permanently this summer. We will be providing the information on what our plans are in the submittal of July 20. Dick Brammer, Unocal will be acting as our agent for the closure of the Small Fry Mine.

Please contact me at (505) 586-7625 if you have any questions or need additional information.

Sincerely,

Anne Wagner
Environmental Manager

cc: D. Brammer
D. Jensen